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Planning

WARREN STEINBORN ASSOCIATES

EMPLOYEE BENEFIT PLANNERS • PENSION CONSULTANTS

DOL-PWBA  
97 JUN 11 AM 10:10

May 30, 1997

SPD, Pension and Welfare Benefits Administration  
Room N5644  
U.S. Department of Labor  
200 Constitution Avenue, NW  
Washington, DC 20210

RE: Cardinal Center Health Plan  
35-6005615  
Plan Number - 501

Gentleman:

Please find enclosed Amendment #1 to this Plan Document for the above named Plan.

Sincerely,

Connie Neuman, HIA  
Plan Document Administrator  
Extension - 5792

2520190031259

**AMENDMENT ONE**

DOL-PWBA  
97 JUN 11 AM 10:10

Policyholder (Employer): Cardinal Center, Inc.  
Effective Date: November 1, 1991  
Group Number: 1480  
Effective Date of Amendment: January 1, 1997

The above stated Plan is hereby amended to read:

**Delete page 61, COBRA CONTINUATION OPTIONS**

- (1) "Core benefits" are Medical Benefits. Any COBRA continuance option must include core benefits for which the person was covered just prior to the COBRA "QUALIFYING EVENT" (an event which qualifies a person for continued coverage under COBRA).

**Replace page 61, COBRA CONTINUATION OPTIONS**

- (1) "Core benefits" are Medical Benefits. Any COBRA continuance option must include core benefits for which the person (and after January 1, 1997, a child born to or placed for adoption with the covered employee during the period of COBRA coverage) was covered just prior to the COBRA "qualifying event" (an event which qualifies a person for continued coverage under COBRA).

**Delete page 62, COBRA CONTINUATION OPTIONS**

- (a) The individual is determined as being disabled for Social Security purposes on the date of the qualifying event; and

**Replace page 62, COBRA CONTINUATION OPTIONS**

- (a) the individual is determined as being disabled for Social Security purposes on the date of the qualifying event (or after January 1, 1997, within the first 60 days of COBRA coverage); and

**Delete page 62, COBRA CONTINUATION OPTIONS**

- (2) The date that the qualified beneficiary first becomes, after the date of election, (a) covered under any other group health plan (as an Employee or otherwise), or (b) entitled to benefits under Medicare (except as stated in item 3 above). However, a qualified beneficiary who becomes covered under a group health plan which has a pre-existing conditions limit must be allowed to continue COBRA coverage for the length of a pre-existing condition or to the COBRA maximum time period, if less.

**Replace page 62, COBRA CONTINUATION OPTIONS**

- (2) The date that the qualified beneficiary first becomes, after the date of election, (a) covered under any other group health plan (as an Employee or otherwise), or (b) entitled to benefits under Medicare (except as stated in item 3 above). However, a qualified beneficiary who becomes covered under a group health plan which has a pre-existing conditions limit must be allowed to continue COBRA coverage for the length of a pre-existing condition or to the COBRA maximum time period, if less. After January 1, 1997, COBRA coverage may be terminated if the qualified beneficiary becomes covered under a group health plan with a pre-existing conditions limit, if the pre-existing conditions limit does not apply to (or is satisfied by) the qualified beneficiary by reason of the group health plan portability, access and renewability requirements of the Health Reform Act, ERISA or the Public Health Services Act.

It is agreed upon by the Undersigned, that his Amendment One becomes a part of the Plan Document, under the terms stated above.

Accepted by:

Cardinal Center, Inc.

Phoenix Home Life

By: *Dennis Terry*

By: *Babette Kauffman*

Title: *V.P. Human Resources*

Title: *Financial Risk Consultant*

Signature: *Dennis Terry*

Signature: *Babette Kauffman*

Date: *3/14/97*

Date: *5/19/97*

Witness: *Janeal Conley*

Witness: \_\_\_\_\_